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C O N F I D E N T I A L SECTION 01 OF 07 THE HAGUE 003350

SIPDIS

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TAGS: [PREL](#) [NL](#) [EUN](#)

SUBJECT: NETHERLANDS/EU PRESIDENCY: ACCOMPLISHMENTS AND  
LESSONS LEARNED (VIEW FROM THE HAGUE)

REF: A. THE HAGUE 3183

[1](#)B. THE HAGUE 2691

[1](#)C. THE HAGUE 1670

Classified By: AMBASSADOR CLIFFORD SOBEL FOR REASONS 1.4(B) AND (D)

[1](#)1. (C) Summary: The December 17 European Council decision to offer Turkey a starting date for accession negotiations let the Dutch end their presidency on a high note. The Dutch recorded several important accomplishments, of which the successful Turkish negotiations were the most notable, while maintaining a high degree of transparency during a challenging period for both the EU and the Netherlands. Significant progress was made in strengthening U.S.-EU coordination on Justice and Home Affairs, laying the groundwork for more effective cooperation in the future. Particularly with regard to terrorist financing, the Dutch accepted and promoted the U.S. effort to address the issue "across pillars" and look forward to continuing to show leadership in this area. Despite early protestations about the primacy of remaining "neutral" during the Presidency, the Dutch ultimately wielded their position effectively to prevent a premature lift of the China Arms Embargo and to get a "yes" decision on Turkey. The Dutch also pushed the EU to take a more active and positive stance on Iraq, although the results have so far fallen short of expectations, and strove to take advantage of near-term opportunities in the Middle East in the wake of Yasser Arafat's death while avoiding focusing on final status issues. The Ukraine election crisis provided an unexpected opportunity for the EU to demonstrate resolve but highlighted long-term worries about the EU-Russia relations.  
End summary.

A DIFFICULT TIME TO BE PRESIDENT

[1](#)2. (C) As noted refs, the 2004 Dutch EU presidency took place against a backdrop of deliberately lowered expectations combined with a series of unusual complications (both expected and unanticipated). The Dutch were the first presidency to preside over an EU at 25, and also the first to deal with a European Parliament's refusal to confirm a new commission. Domestically, Prime Minister Balkenende's extended illness (which caused the postponement of at least one summit and led another to be chaired by Luxembourg) and anti-Muslim sentiment provoked by the November murder of a Dutch filmmaker by a Dutch Islamic extremist of Moroccan descent posed unique challenges for the Dutch presidency. In the end, however, the Dutch achieved nearly all their stated objectives for the presidency and more -- even when operating without a functioning commission or Prime Minister. This reflected both extensive Dutch pre-presidency contingency planning and a surprising (for the Dutch) degree of flexibility which allowed the presidency to find and exploit opportunities for progress despite such obstacles.

TRANSATLANTIC TRANSPARENCY

[1](#)3. (C) Extensive contacts between Dutch officials and their Washington, Hague, and Brussels counterparts -- up to and including the U.S.-EU Ministerial Troika meeting in December -- helped maintain a mood of productive consultation throughout the Dutch presidency, even when dealing with contentious issues such as the possible lift of the EU's China Arms Embargo. By describing their own thinking and the positions of other

member states, the Dutch often alerted the USG to troublesome developments within the EU councils as well as promising openings for U.S. intervention. Within EU fora (including the December 17 POLDIRS meeting chaired by Dutch POLDIR Hugo Siblesz), the Dutch helped set a practical, down-to-earth tone for the U.S.-EU dialogue by highlighting areas of actual partnership (such as Ukraine) and shared objectives (such as Iraq), while seeking constructive ways to work through areas of real disagreement (including the China Arms Embargo).

#### NEW MECHANISM FOR COOPERATION ON JUSTICE AND HOME AFFAIRS (JHA)

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14. (C) This area had been flagged prior to the presidency as one in which practical cooperation between the U.S. and EU should be a major priority. The Dutch succeeded both in facilitating cross-pillar/interagency review of JHA issues (particularly in the area of terrorist financing) and directing senior level attention on the areas of U.S.-EU cooperation on JHA and CT issues. The Dutch hosted several workshops at the expert level on terrorist financing and succeeded in laying the groundwork for a continuation of a U.S.-EU dialogue on combating terrorism finance. They included DHS Secretary Ridge in a ministerial troika on JHA issues where he stressed the themes of our common efforts to address common problems. The Dutch followed up by inviting AG Ashcroft and DHS Undersecretary Hutchinson to address an informal JHA Council including all 25 EU member states. This Dutch initiative of senior level U.S.-EU political review of common JHA issues has now been institutionalized as a multiannual concept, with the next meeting scheduled during the UK presidency in the second half of 2005. During the meetings in The Hague, then-Commissioner for JHA Vittorino noted the importance of continued U.S. leadership in the JHA and counterterrorism areas, but stressed the need for better U.S.-EU coordination in managing public opinion to avoid the impression that the U.S. is dictating to the EU. The EU has also shown strong interest in broadening our relationship with Eurojust and Europol (both based in the Netherlands.)

#### TURKEY AND CHINA: POWER OF THE PRESIDENCY

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15. (C) Although the Dutch often protested that they must remain "neutral" during their presidency, they ultimately proved both willing and able to use their presidency prerogatives to influence key EU decisions. On Turkey, for example, the Dutch used the moral authority of the presidency to stress the principle that "a deal is a deal" to quiet both domestic Dutch and EU opposition, and to set the stage for the final negotiating crunch. Highlighting the Commission's recommendations, the Dutch downplayed their own negotiating efforts until just a few weeks before the December 17 Council, even though they appear to have been coordinating closely with Germans, French and British while maintaining a good dialogue with the Turks. Their careful preparation paid off in the end, although the bruising eleventh-hour negotiations in Brussels reportedly left PM Balkenende and other senior Dutch officials with strong negative impressions of the Turks. Especially during the period between the November and December Councils, high-level Dutch-U.S. contacts alerted the USG to possible problems and enabled us to weigh in effectively at key moments -- for example, on the question of military overflights of the Aegean -- without creating a negative backlash inside the EU.

16. (C) On China, the Dutch began their presidency resigned to (if not particularly enthusiastic about) a lift of the EU Arms Embargo on China before the December EU-China summit. Initial Dutch responses to U.S. approaches reflected a desire to have the U.S. accept a lift as a "fait accompli." Early and active US

engagement at all levels (especially between Secretary Powell and Foreign Minister Bot), however, succeeded not only in convincing the Dutch not to support such a lift, but led Bot to use the powers of the presidency actively to prevent a lift from occurring during the Dutch presidency. While the December 17 Council conclusions "invite" the Luxembourg presidency to take up the issue with an eye to "finalizing" the work needed to lift, its references to not increasing the quality or quantity of EU imports to China and to the interests of "friendly and allied" nations place the issue in a more favorable context for discussion than existed prior to the Dutch presidency. In a recent meeting with Ambassador Sobel, however, Hugo Siblesz made clear that the Dutch expect momentum to lift the Embargo to grow during the Luxembourg presidency, and urged the U.S. to engage now to ensure that the Code of Conduct and toolbox properly take U.S. interests into account.

OTHER ISSUES: IRAQ, MIDDLE EAST, UKRAINE

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17. (C) The Dutch took on the difficult and apparently thankless task of refocusing the EU on Iraq as a top priority even before beginning their presidency. While progress has been slow and painful, the Dutch did succeed in focusing the EU on the positive and necessary role it can play in promoting security, stability, and reconstruction in Iraq. The Dutch pressed the European Union to send experts to Baghdad -- providing a plane and the personal leadership of FM Bot to forestall possible objections -- and to develop a concrete plan of assistance. The Dutch (responding to a German proposal) invited Iraqi PM Allawi to address the November European Council, at least partly to force quick agreement on the plan. In a recent meeting with Ambassador Sobel, POLDIR Hugo Siblesz admitted that while the EU has done well "on paper," the Dutch are frustrated that more has not been achieved on the ground. On the other hand, the shift in the EU's focus will hopefully help set a more positive tone for US-EU discussions on Iraq in the future.

18. (C) With regard to Middle East peace prospects, the Dutch (and FM Bot in particular) were quick to take advantage of the opportunity presented by Yasser Arafat's death to promote an active EU role in promoting Palestinian elections. At the EUROMED ministerial in December, Bot brought the Israeli and Palestinian representatives together for a meeting and photo op, and worked to ensure that Solana and others focused on near-term, achievable goals rather than trying to shift the discussion to "final status" issues. The Dutch will hand the EU presidency to Luxembourg full of hope that a window of opportunity has been opened for roadmap implementation. Bot has also clearly signaled that he would be happy remain actively involved in the process, perhaps by providing a "back channel" for the parties and/or providing advice to his (in his view) "less experienced" Luxembourg counterparts.

19. (C) Finally, the Ukraine election crisis gave the EU an unexpected opportunity to raise its profile in the "new neighborhood" of the states of the Former Soviet Union. During a contentious lunch discussion on Ukraine during the EU-Russia summit in November, Bot and Balkenende reportedly stood firm against a well-prepared and assertive Putin in asserting the EU's interest in Ukraine. While the Poles, Lithuanians, and Solana played a more public role than the EU presidency on the ground than the Dutch -- a tactical decision, according to Bot, designed to avoid the appearance of "ganging up" on Russia -- the firm handling of the Ukraine issue (as well as the broader issue of EU-Russian relations in the "new neighborhood," which at one point threatened to derail the EU-Russia summit) is likely to be remembered as one of the most significant achievements of the Dutch EU presidency. From the Dutch perspective, the

Ukraine episode was a good example of how the EU can and should operate -- staking out a strong, coherent position on an important international issue while coordinating closely with the U.S. -- but also highlighted growing concerns regarding the likely direction of EU-Russian relations.

#### COMMENT

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10. (C) During the lead-up to the presidency, Dutch interlocutors tried to lower expectations for their presidency by citing the special character of their semester (new Commission, new parliament, long summer break) and the "obstacle" (a Bot word in his final briefing of the diplomatic community on the presidency) of the US election as reasons not to expect much progress. At the end of their presidency, however, the Dutch appear confident that they have successfully met all challenges while racking up commendable set of solid achievements -- and they are clearly reluctant to give up the privileges of the presidency to become "just one of 25." Strong personal contacts at all levels, especially between the Secretary and FM Bot, were a key factor in encouraging the Dutch to assert their presidency prerogatives in support of a shared transatlantic agenda. (This China Arms Embargo discussion in particular demonstrates the critical importance of weighing in before a firm EU consensus position has been set in stone.) Going into the Luxembourg presidency, we believe that the Dutch experience, combined with a new Commission, leaves the US and EU well positioned to renew a deeper and constructive cooperation on many of the issues that face us both.

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